

Senate Engrossed House Bill

**FILED**

**KEN BENNETT  
SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fiftieth Legislature  
First Regular Session  
2011

CHAPTER 171

# **HOUSE BILL 2109**

AN ACT

AMENDING SECTIONS 20-340 AND 20-340.01, ARIZONA REVISED STATUTES; RELATING TO  
BAIL BOND AGENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 20-340, Arizona Revised Statutes, is amended to  
3 read:

4 20-340. Definitions

5 In this article, unless the context otherwise requires:

6 1. "BAIL BOND" MEANS ANY CONTRACT THAT IS EXECUTED BY A SURETY INSURER  
7 FOR THE RELEASE OF A PERSON WHO IS ARRESTED OR CONFINED FOR ANY ACTUAL OR  
8 ALLEGED VIOLATION OF ANY FEDERAL, STATE OR LOCAL CRIMINAL LAW WHERE THE  
9 RELEASED PERSON'S ATTENDANCE IN COURT WHEN REQUIRED BY LAW AND OBEDIENCE TO  
10 ORDERS AND JUDGMENT OF ANY COURT IS GUARANTEED.

11 ~~1.~~ 2. "Bail bond agent" means an individual who is appointed by an  
12 insurer through a power of attorney to execute or countersign bail bonds in  
13 connection with judicial proceedings and who receives or is promised monies  
14 or other things of value for that service.

15 ~~2.~~ 3. "Bail recovery agent" has the same meaning prescribed in  
16 section 13-3885.

17 Sec. 2. Section 20-340.01, Arizona Revised Statutes, is amended to  
18 read:

19 20-340.01. Bail bond agents; licensure; business entities;  
20 place of business; receipt; maintenance of records

21 A. A person shall not act as a bail bond agent in this state unless  
22 the person is licensed by the director in accordance with this article. AN  
23 APPLICANT FOR A BAIL BOND AGENT LICENSE SHALL SUBMIT AN AFFIDAVIT ATTESTING  
24 TO THE APPLICANT'S RESIDENCY IN THIS STATE FOR AT LEAST ONE YEAR IMMEDIATELY  
25 PRECEDING THE DATE OF APPLICATION.

26 B. EACH APPLICANT FOR BAIL BOND AGENT LICENSE SHALL SUBMIT A FULL SET  
27 OF FINGERPRINTS TO THE DEPARTMENT OF INSURANCE FOR THE PURPOSE OF OBTAINING A  
28 STATE AND FEDERAL CRIMINAL RECORDS CHECK PURSUANT TO SECTION 41-1750 AND  
29 PUBLIC LAW 92-544. THE DEPARTMENT OF PUBLIC SAFETY MAY EXCHANGE THIS  
30 FINGERPRINT DATA WITH THE FEDERAL BUREAU OF INVESTIGATION. THE DEPARTMENT OF  
31 INSURANCE SHALL NOT ISSUE A LICENSE UNTIL IT RECEIVES THE STATE AND FEDERAL  
32 CRIMINAL HISTORY RECORDS CHECK AND THE APPLICANT IS QUALIFIED FOR LICENSURE.

33 ~~B.~~ C. The director shall not license a resident business entity as a  
34 bail bond agent unless each owner and shareholder is individually licensed as  
35 a bail bond agent.

36 D. A PERSON WHO IS LICENSED AS A BAIL BOND AGENT IN THIS STATE IS NOT  
37 AUTHORIZED IN THIS STATE TO TRANSACT CIVIL BONDS IN CONNECTION WITH  
38 CONTRACTS, ADMINISTRATIVE PROCEEDINGS OR OTHER NONCRIMINAL MATTERS ON BEHALF  
39 OF A SURETY INSURER UNLESS THE BAIL BOND AGENT IS ALSO LICENSED AS A PROPERTY  
40 AND CASUALTY PRODUCER IN THIS STATE.

41 ~~E.~~ E. Each bail bond agent shall have and maintain a place of  
42 business in this state that is accessible to the public and where the bail  
43 bond agent principally conducts transactions under the agent's license.

1        ~~D~~ F. As a minimum requirement for permanent office records, each  
2 bail bond agent and general lines agent who is engaged in the bail bond  
3 business shall maintain a daily bond register that is the original and  
4 permanent record of all bonds or undertakings executed by the licensee and  
5 that states the:

- 6        1. Number of the power of attorney form.
- 7        2. Date the bond was executed.
- 8        3. Name of the principal.
- 9        4. Amount of the bond.
- 10       5. Premium charged.
- 11       6. Premium reported to the surety company.
- 12       7. Security or collateral received.
- 13       8. Date the security or collateral was received and the date released.
- 14       9. Indemnity agreements.
- 15       10. Disposition of the bond.
- 16       11. Date of disposition.

17       ~~E~~ G. Each bail bond agent and general lines agent who is engaged in  
18 the bail bond business and who accepts monies or any other consideration for  
19 any bail bond undertaking shall for each payment received give to the person  
20 paying the monies or giving the consideration a prenumbered receipt as  
21 evidence of payment. The receipt must state the date, the name of the  
22 principal, a description of the consideration or amount of monies received  
23 and the purpose for which received, the number of the power of attorney form  
24 attached to the bond, the penal sum of the bond, the name of the person  
25 making the payment or giving the consideration and the terms under which the  
26 monies or other consideration shall be released. Each bail bond agent shall  
27 retain a duplicate copy of each receipt issued as part of the agent's  
28 records.

29       ~~F~~ H. The bail bond agent shall keep at the agent's place of business  
30 the usual and customary records pertaining to transactions made under the  
31 license. The licensee shall keep all the records as to any particular  
32 transaction available and open to the inspection of the director at any  
33 business time during the three years immediately after the date of completion  
34 of the transaction.

35       ~~G~~ I. The director may examine the business practices, books and  
36 records of any bail bond agent as often as the director deems appropriate.  
37 The bail bond agent shall pay the costs incurred for the examination.

APPROVED BY THE GOVERNOR APRIL 19, 2011.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 19, 2011.



HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

April 13, 2011,

by the following vote: 56 Ayes,

1 Nays, 3 Not Voting

  
\_\_\_\_\_  
Speaker of the House

Cheryl Laube  
\_\_\_\_\_  
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

14 day of April, 2011,

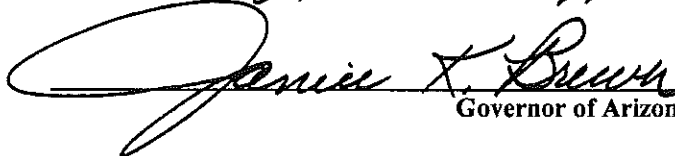
at 8:32 o'clock A. M.

  
\_\_\_\_\_  
Secretary to the Governor

Approved this 19th day of

April, 2011,

at 9:21 o'clock A. M.

  
\_\_\_\_\_  
Governor of Arizona

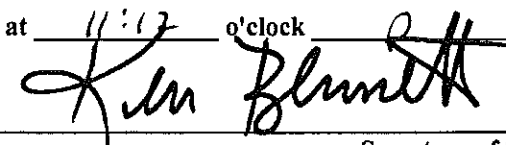
H.B. 2109

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 19th day of April, 2011,

at 11:12 o'clock P. M.

  
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Secretary of State